



April 30, 2010

Captain M. H. Glaser Commanding Officer Naval Air Station Fallon 4755 Pasture Road Fallon, NV 89496-5000

Subject:

Dixie Valley Geothermal Projects

Churchill County, Nevada

Dear Captain Glaser:

This letter is a follow-up to our presentation and discussion during the NAS Fallon Encroachment Management Team meeting held February 23, 2010 at your NAS Fallon office. During this meeting I was given the opportunity to introduce Terra-Gen Power and its proposed geothermal projects, namely Coyote Canyon, Dixie Meadows and New York Canyon. Among many topics associated with the proposed projects, during the meeting we discussed the electric transmission facilities required for our projects. Also at this meeting we presented a power point overview of the planned projects, a copy of which is enclosed. At this meeting:

- a) You requested that TGP electric transmission lines associated with these projects stay below 100 feet in height.
- b) We indicated that our planned electric transmission lines are currently expected to be 85-feet tall.
- c) You confirmed that a height of 85-feet is acceptable to NAS Fallon, and that lowering the t-line to 55 feet is not required.
- d) You requested that TGP work with NAS Fallon to place markings (such as bird flight divertors) on the electric transmission lines in strategic locations that are acceptable to NAS Fallon.

This note is to confirm our understanding. We would appreciate your execution of this summary. We expect to attach this letter with your signature to certain permitting documents that are required by the Bureau of Land Management and other agencies. We look forward to continuing our strong working relationship with the US Navy as we reduce dependence on foreign energy and create new jobs in the community.

Sincerely

Vincent J. Signorotti

Vice President, Land Management

Acknowledged on

2010

By:

Captain M.H. Glaser Z.M. WILKE Commanding Officer, NAS Fallon